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RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

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SENSITIVE SIPDIS

DEPT FOR EAP A/S CAMPELL, S/ECC, G, EAP/MTS, AND OES/EGC USAID FOR A/A FRANK YOUNG, EGAT/MIKE YATES COMMERCE FOR NOAA NSC FOR DES WALTON EPA/OIA FOR RKASAT, MKASMAN, KBUCKLEY

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TAGS: <u>EAGR EAID KGHG SENV KMCA MCC PREL ID</u> SUBJECT: POTUS Indonesia Climate Initiative: from Science to Solutions

- 11. (SBU) Embassy Jakarta suggests the framework below as a way to carry a POTUS message on climate change and environment during his upcoming visit to Indonesia. SOLUSI is the Indonesian word for "solution" and could be the name of an Obama climate and environment initiative. SOLUSI -- Science, Oceans, Land USe, and Industry -- could provide an umbrella to house the very substantial, broad-based U.S. activities on climate and environment. As a package, SOLUSI would support the key messages that POTUS could deliver on his upcoming visit:
- -- Indonesia is a climate change heavy weight, not only due to its substantial GHG emissions from forests and peat and for its unsurpassed marine biodiversity, but also for its efforts to advance a global solution.
- -- The U.S. launches a new climate partnership with Indonesia focused on domestic, regional and global challenges for mitigation and adaptation.

SOLUSI -- A PACKAGE OF BROAD-BASED U.S. ACTIVITIES

12. (SBU) The very wide-ranging impacts of climate change do not allow for a single area of focus, particularly in a large archipelagic nation like Indonesia. Furthermore, no single U.S. effort on climate change or environment is large enough in dollar terms to underpin a strong POTUS message on climate change. However, the net sum of all USG activities on climate and environment in Indonesia is substantial and impressive. SOLUSI provides an elegant package, and could be strengthened further if it has components into which other major donor countries can plug as part of a multi-donor effort.

S = Science

13. (SBU) The U.S. and Indonesia can partner in collaborative science research to jointly discover new solutions to the full range of climate challenges. Our bilateral science and technology cooperation is poised for takeoff under a new Science and Technology Agreement, which we hope to initial very soon. Joint activities range from hard science measurement and R&D to converting discoveries into practical solutions, policy implementation and commercialization that will benefit local communities in adapting to and mitigating climate change. Announcing a climate change center in Indonesia could fulfill a Cairo Vision promise of establishing a

science center of excellence in Southeast Asia. Furthermore, if the USG creates an ARC component in Indonesia (whether hub or spoke) that can serve as an open platform for other donor countries to join, we could multiply the impact in Indonesia. Increased impact in Indonesia will yield lessons learned to share with other countries in the region to help them adapt to climate change and meet mitigation targets.

Potential U.S. activities for inclusion:

- USAID's University Linkages Grants (2 already awarded, including one on marine climate change)
- Increased DOE labs engagement with Indonesian research institutes
- Methane-to-Markets Partnership (proposed)
- Science and Policy collaboration on Peat Lands
- Disaster preparedness/mitigation
- Biotech collaboration for Food Security
- Joint Ocean Exploration (NOAA Okeanos Explorer)
- NOAA-Indonesia Ocean Science Partnership, including on fish and food security (proposed)
- Climate Change Center (under consideration through ARC initiative)

O = Oceans

14. (SBU) Hundreds of millions (if not billions) in Indonesia and other countries with a coastline face climate change threats of sea level rise, ocean acidification, and destruction of habitats that spawn the fish we rely on for food and protein. Indonesia is home to the most marine biodiversity in the world and has also shown

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leadership on marine and climate-ocean issues. It launched the 6-nation Coral Triangle Initiative (CTI), hosted the World Ocean Conference, and wants to see increased climate change focus on oceans. As an archipelagic nation of over 17,000 islands, Indonesia is acutely sensitive to the potential impacts of climate change. Indonesia lies at the heart of the Coral Triangle and will host the permanent Regional CTI Secretariat. The United States is a founding partner - and largest bilateral supporter - of the CTI, which has climate change adaptation as a key concern.

Potential U.S. activities for inclusion:

- USAID Jakarta's Marine Program
- Regional support to Coral Triangle Initiative, including Regional Secretariat in Indonesia
- NOAA's engagement on the joint exploration visit
- USDOJ Marine Law Enforcement capacity building
- 2009 Jakarta 1473 proposal for fish/food security center (needs funding)
- USAID grants for climate change adaptation and disaster preparedness

LUS = Land Use

15. (SBU) This is the most critical area for reducing green house gases in Indonesia, 80% of which comes from forestry/land-use. Indonesia is the third largest global emitter and a country with the third largest tract of tropical forest in the world. Of its domestic mitigation emissions reduction target of 26%, Indonesia is targeting 14% from forestry and peat.

Potential U.S. activities for inclusion:

- USAID Jakarta Forest Program
- 1st (concluded) and 2nd (in process) Tropical Forest Conservation Act agreements
- USAID Orangutan habitat conservation program
- New work on Peat Lands (TBD)
- Policy engagement, particularly on REDD+
- Donor coordination with focus on REDD+
- USTR-led illegal logging cooperation
- USAID mitigation and adaptation grants including food security

- Fish and Wildlife Service grants
- Other U.S.-supported international work (World Bank Forest Carbon Partnership, RAFT, etc.)

I = Industry

16. (SBU) If Indonesia does not move on to a low carbon growth strategy, this fourth most populous nation will see its future emissions from industrial output and energy eclipse those from forests and land-use within the next two decades.

Potential U.S. activities for inclusion:

- USAID Clean Energy Program
- EPA's \$450,000 "Breathe Easy, Jakarta" clean air program
- EPA collaboration on GHG inventories, pollution, waste
- Multilateral Clean Technology Fund
- USAID climate adaptation support with water utilities
- Industrial and/or science cooperation on developing geothermal resources

HUME